



Date: Oct. 14, 2005
Contact: Teri Bakken, 896-5069
Greg Albright, 896-5260

BILLINGS -- Fees related to both energy and non-energy mineral applications and operations on public lands are increasing as of November 7.

New regulations will enable the Bureau of Land Management to recover more of its costs in processing documents. The regulations are in response to recommendations by the Interior Department's Inspector General who found that the BLM needed to do more to recover its document-processing costs.

Increased fees are associated with processing applications related to oil and gas leasing, coal, non-energy leasable minerals, and mineral materials, as well as costs associated with administering mining claims. In the new regulations, fees for these applications are grouped in two categories. A "case-by-case" category will cover BLM actions where costs vary widely with each individual application. A "fixed fee" category will cover actions that have more predictable costs. In cases where the Bureau cannot establish a reliable fixed fee, the rule requires calculation of a case-specific fee.

Similar regulations were proposed last July but were modified with the passage of the Energy Policy Act of 2005 in August. That Act required the BLM to defer fees for processing oil and gas Applications for Permits to Drill (APDs) and Geothermal Permits to Drill (GPDs) until a pilot project to improve the coordination of oil and gas permitting among federal agencies is completed. Fees originally proposed for geophysical and geothermal exploration permits have also been deferred.

The Bureau estimates that once the rule is fully implemented, the agency will recover about \$2.8 million more annually in fixed fees. The BLM will also collect additional fees on a case-by-case basis, as described in the rule.